

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1756 - SB 1858

February 1, 2016

SUMMARY OF BILL: Excludes from the local maintenance of effort and apportionment requirements, non-recurring appropriations made by a local government for a priority school pursuant to a written agreement between the local government and the local education agency (LEA). Requires the Department of Education to approve any such agreement prior to execution.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent any such written agreement is executed between a local government and the local education agency, there will be a permissive one-time increase in local expenditures of an unknown amount based on the extent of the non-recurring appropriations made by the local government pursuant to the agreement.

Assumptions:

- Currently, Tenn. Code Ann. § 49-3-314 authorizes non-recurring appropriations made by a local government pursuant to a written agreement with an LEA to be excluded from the local maintenance of effort and apportionment requirements. These agreements are reviewed and approved by the Department of Education.
- No impact on the Basic Education Program (BEP) funding formula.
- Any non-recurring local appropriations that will be made specifically to priority schools pursuant to a future agreement between the local government and LEA is unknown.
- No increase in state expenditures for the Department of Education to review and approve written agreements.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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